

Sequa Corporation

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February 23, 2005

Richard E. Greene
Regional Administrator
6RA
U.S. EPA Region 6
1445 Ross Avenue
Suite 1200
Dallas, TX 75202-2733

Re: Gulfco Marine Maintenance Site in Freeport, Texas
Financial Assurance

To Whom It Concerns:

I am the chief financial officer of Sequa Corporation ("Sequa"). This letter is in support of Sequa's commitment, on behalf of its subsidiary Chromalloy American Corporation ("Chromalloy"), to fund the investigation and remediation at the Gulfco Marine Maintenance Site in Freeport, Texas (the "Site"), which was formerly operated by a division of Chromalloy, as set forth in the letter dated February 23, 2005, to Mr. Samuel Coleman of the United States Environmental Protection Agency ("EPA"), to which this letter is Attachment A.

1. I certify that the attached Annual Report to Shareholders is a true and correct copy of the last published Annual Report for Sequa. The Annual Report for the fiscal year ending 2004 is due to be published before the end of March 2005.
2. Sequa does not own or operate the Site but agrees to cause Chromalloy to investigate and remediate the environmental conditions at the Site as a potentially responsible party itself and with other potentially responsible parties ("PRPs").
3. Sequa guarantees to the EPA that Sequa will cause Chromalloy to pay its share (as determined by a liability allocation agreement among the PRPs) of the costs to investigate and remediate the Site in accordance with the requirements of the State of Texas Voluntary Cleanup Program.
4. This obligation does not apply to any costs other than those specified in Paragraph 3 immediately above. For the avoidance of doubt, this obligation does not apply to costs or damages related to bodily injury or property damage arising out of the ownership, operation, maintenance, use, or entrustment to others of or contact with the Site.

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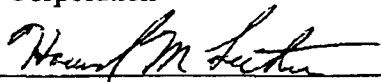
5. Sequa agrees to cause Chromalloy to notify the EPA by certified mail of a voluntary or involuntary proceeding under title 11 (Bankruptcy), U.S. Code, if any, naming Chromalloy as debtor, within 10 days after commencement of the proceeding.
6. Sequa agrees to cause Chromalloy to remain bound under this financial responsibility for so long as Chromalloy must comply with the applicable requirements of the State of Texas Voluntary Cleanup Program for the Site, except as provided in paragraph 7 below.
7. Sequa may in its sole discretion terminate this financial responsibility of Chromalloy by sending notice by certified mail to the EPA and to the other PRPs, provided that this financial responsibility of Chromalloy may not be terminated unless and until Chromalloy, or Sequa on behalf of Chromalloy, obtains, and the EPA approves, an alternative financial assurance mechanism.

Effective date: February 23, 2005

Signed:

Sequa Corporation

By: _____


Howard M. Leitner
Senior Vice President, Finance

Signature of Witness: _____

